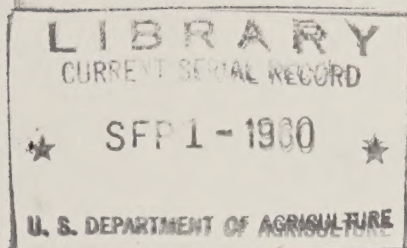


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MARCH 29, A. M.

# the AGRICULTURAL OUTLOOK DIGEST

AGRICULTURAL MARKETING SERVICE, U. S. D. A.

WASHINGTON, D. C.

AMS

AOD-63 MARCH 1960

Acreage planted to grains this year will be a little smaller than in 1959, if farmers carry out the plans they reported in early March.

Farmers intend to plant about as much corn and sorghum grain this year as last. The planned cut of 5% for oats would result in the smallest acreage on record. The intended acreage for barley is off 4%. Total for the 4 feed grains is about 1% less than last year... 156 million acres.

Food grain acreage also will be down slightly, farmers' plans indicate. Intentions call for a 35% boost for durum, a 10% cut for other spring wheat. Acreage planted to winter wheat last fall was about equal to the preceding year. Total for wheat is down 1%. Little change is in prospect for rice.

Most spring sown grains are yet to be planted and no indication of production will be available for several months. Also, farmers may plant more or less than they intended in March. But in any event, large storage stocks assure ample supplies for the year ahead.

Last year's cut in soybean acreage will be nearly wiped out in 1960, growers' plans indicate. Planned acreage is up 6% from 1959 and second only to 1958. A 4% increase is planned for sugar beets... a 16% cut for sweetpotatoes. Acreage for a number of other crops--potatoes, peanuts, dry peas, dry beans, tobacco, flaxseed--show only minor changes from 1959.

FARM EXPORTS. Volume in the first 7 months of fiscal 1959-60 was up 22% from same period last year...value was up 15%. Cotton was the biggest gainer. Oilseeds and oil, cattle, livestock products, prepared feeds, fresh fruits, and dry beans and peas also were up substantially.

HOGS. Prices are likely to climb well above last year this summer. The current advance may be interrupted in early spring when marketings of fall pigs are heaviest, but any decline is likely to be short-lived.

Corn Belt hog producers are holding close to the intentions reported last December. Farrowings in 10 States in December-February were down 19% from last year...intended farrowings for March-May are off 10%. Decrease for the 6-month period is 13%, less than 1% below December intentions. Corn Belt producers also reported they intend to have 4% fewer sows to farrow in June-August than in the summer quarter of 1959.

CATTLE. Marketings of fed animals will continue large the next few months and prices are likely to fluctuate around current levels. This would be below last spring.



EGGS. Number of chickens raised for laying flock replacement this year is practically certain to be well below 1959. Hatchings of chicks for laying flock replacement in January and February were down 36% from a year earlier. Spring hatchings are likely to be off by a smaller percentage, but number of chickens raised this year is likely to be smallest on record. Egg production this fall is likely to be down enough to raise prices to farmers above those of the same period of 1959.

BROILERS. Rise in prices is not likely to bring a substantial increase in production in the near future. Credit is limited and supply of hatching eggs is not large enough to support a big increase in production. Most likely outlook is for prices to be fairly steady into summer.

SOYBEANS. Crushings have slowed recently in the face of declining prices for oil and meal and steady prices for beans. Total crushings for 1959-60 probably will be around 400 million bushels, near the 1958-59 level. Exports have been running well above last year and are headed for a new record of about 125 million bushels. The 1958-59 total was 110 million.

DAIRY. Prices to farmers for milk and butterfat and wholesale prices of dairy products have been a little above last year the last two months. Farm production also has been running close to year-ago levels.

FEED. Grain prices have risen an average of only 1% since November, considerably less than the usual seasonal increase. In mid-February, they averaged 3% below a year earlier. High-protein feed prices in early March were a tenth below March 1959. Feed prices are likely to continue below a year earlier through the first half of 1960.

VEGETABLES. Supplies of canned vegetables are smaller than a year ago but generally adequate. Main exception is sauerkraut which is in tight supply. Stocks of frozen vegetables also are smaller than last year but above average.

COTTON. Exports are moving at a rapid rate. January shipment of 1.1 million bales, larger than in any other month since November, 1935 brought August-January total to 3.2 million, more than double a year earlier. Season's total is expected to reach about 6½ million, over twice the 1958-59 figure of 2.8 million. Use in U. S. mills also is up from last year and for the season probably will exceed the 1958-59 total of 8.7 million bales by about 300,000.

Increased disappearance will cut carryover this year. August 1 stocks probably will be about 8.1 million bales, compared with 8.9 million a year earlier.

WOOL. Demand for wool products continues strong and stocks are low. This means that prices to farmers the next few months probably will hold about at January-February levels.